

Department of Revenue, the revaluation of agricultural land will reduce the total projected valuations in the five predominately rural technical community college areas between seven-tenths of 1 percent and clear up to 5 percent, and in fact in my area, in the Central Community College area, that is 5.48 percent reduction. These projected reductions do not reflect actual market value decline. The result is that several of the areas may not be able to levy as much actual tax for operations as in the previous fiscal year because of the 7 cents per \$100 limit, based solely on the adjustment of valuations irrespective of market value. In addition state aid to the technical community colleges as a percent of total budget has been declining for several years. For the first time in fiscal year '83-84 state aid provided a smaller proportion to technical community colleges for college operations than did local taxes, a trend which has continued through FY 85-85. In fact after the budget cuts in '85-Second Special Session, state aid for the current fiscal year is less than actual dollars in FY 84-85 by approximately \$640,000. Moreover, federal funds totaling nearly \$220,000 formerly received for vocational teacher salaries will be completely phased out in fiscal year '86-87. So in order to avoid drastic cutbacks in services and programs, especially in the Central Community College area, it is essential to allow the additional levy authority beyond the 7 cents per \$100 for all areas excluding Metro. This legislation is designed to alleviate an immediate fiscal crisis which has already forced the Central area to cut faculty positions and hours, eliminate programs, and close facilities, and is necessary in the short term to allow the applicable area governing board an opportunity to adapt to reduced financial resources. It should be emphasized that LB 796 is only a short term emergency measure. The technical community college areas are planning to develop legislation which would base property tax authority on actual tax revenues instead of valuation, and in addition would tie increases or decreases in state aid to corresponding changes in property tax. This legislation should be ready for the First Session of the 90th Legislature in FY 87. With that I ask for you to advance the bill. I see that some of the other folks are here now and maybe they have some additional things they want to add. I would just tell you that in...

PRESIDENT: May we have order please. (Gavel)...of conversation level. Excuse me, Senator Smith. (Gavel.)